अतएव, मैं केन्द्र सरकार से अनुरोध करना चाहती हूं कि कोयले के अवैध उत्खनन तथा परिवहन की ओर ध्यान दिया जाए तथा उस पर रोक लगायी जाए ताकि सरकार को हो रहा आर्थिक नुकसान बचाया जा सके।

Concern over fake Indian currency and its seizure in neighbouring countries

SHRI SANJAY RAUT (Maharashtra): I would like to raise serious problem of growing circulations of fake Indian currencies through neighbouring countries like Pakistan, Bangladesh and Nepal. There are media reports of unearthing of fake currencies to the tune of several crores of rupees and destablize the Indian economic system. The Government have admitted such illegal and unlawful activities in the country. This is a matter of great concern. Pakistani Nationals were involved both directly and indirectly in smuggling counterfeit Indian currency. Interrogations have so far revealed that an effort is being made to establish a sea route to Kutch to smuggle fake Indian currency into India. Nepal police have recently arrested six people and busted a major racket in smuggling counterfeit Indian currency in the city and in various bordering Indian towns. I think it is a very alarming situation which needs to be tackled seriously.

We have seen in the past and history tells us how fake currency notes have completely crushed the economy of several countries. I therefore, request the Government to look into the unlawful activities of fake currency, especially in bordering areas and take appropriate corrective measures by avoiding further damage to our economy.

SHRI SANTOSH BAGRODIA: Sir...*(Interruptions)*...

MR. DEPUTY CHAIRMAN: That is under consideration. The request that you have made is with the Chairman. It is still under consideration. The Chairman would give you time.

Now, we shall take up the State Bank of India (Amendment) Bill, 2007 and the Statutory Resolution together. Dr. Murli Manohar Joshi to move the Statutory Resolution. ...*(Interuptions)*... Dr. Joshi is not present.

Now, Shri Pawan Kumar Bansal to move the Bill.

GOVERNMENT BILL

The State Bank of India (Amendment) Bill, 2007

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): Sir, I beg to move:-

> That the Bill further to amend the State Bank of India Act, 1955, as passed by Lok Sabha, be taken into consideration.

Sir, the Committee on Banking Sector Reforms, popularly known as the Narasimham Committee-II, while deliberating on the issue of regulation and supervision, had observed that it was consistent with the principles of the effective supervision that the regulator (even in the interim period, *viz.* the Reserve Bank) is also an owner of a bank. Sir, the Committee was of the view that

appropriately RBI should not own the institution it regulates. This required RBI to divest its holdings in banks and financial institutions. In the discussion paper prepared by the RBI on "Harmonising the Role and Operations of Development Financial Institutions and Banks (January, 1999)", it suggested that in order to enable RBI to focus on its regulatory and supervisory functions, RBI should not continue with its ownership functions in both commercial banking and refinance of development finance segments. The ownership of financing institutions could ideally be delinked from RBI through the transfer of such ownership to the Government.

Sir, having decided to accept the recommendations for transfer of its shareholding in SBI to the Central Government, the RBI in its Monetary and Credit Policy for the year 2001-02 announced its intention to transfer the ownership of shares in SBI. Thereafter, the RBI furnished the details of legislative changes required for the purpose, the financial implications of the proposals of transfer of such shares and, thereafter, sent the draft legislation for making necessary amendments in the SBI Act, 1955 for transfer of its shareholding in SBI to the Government. In February, 2007, the Government approved the proposal for transfer of ownership of the shareholding of RBI, in the SBI, to the Central Government. The transaction involved transfer of the entire equity held by the RBI in the SBI, *i.e.*, 31,43,39,200 shares comprising 59.73 per cent of the total equity shares. In the current year's Budget, Sir, a sum of Rs.40,000 crore was provided for this purpose.

In view of the large amount involved, it was decided to complete the transaction before 30th June, 2007, *i.e.*, the date of closure of the annual account of the Reserve Bank of India. Hence, it became necessary to carry out urgently the required amendments in the SBI Act, 1955.

As both the Houses of Parliament were not in session then, the State Bank of India (Amendment) Ordinance 2007 (5 of 2007) was promulgated on the 21st June, 2007 which came into force on the 29th June, 2007. Thereafter, the transfer of shares from the RBI to the Central Government before 30th June, 2007, *i.e.*, in the current financial year of the RBI, has enabled the RBI to transfer all its profits due to this transfer as a part of the annual transfer of surplus to the Central Government.

Sir, the said Ordinance amended the State Bank of India Act, 1955 to enable the transfer of RBI's shareholding in SBI to Central Government. Sir, the amendments are confined only to substituting the words "Central Government" for the word "Reserve Bank" at 14 places and omitting the reference to the Reserve Bank at two places. Sir, this Bill seeks to replace the said Ordinance. Sir, the Lok Sabha has already passed this amending Bill on 20th August, 2007. With these words, Sir, I commend this august House to consider the Bill.

The question was proposed

श्री सुरेन्द्र लाठ (उड़ीसा): उपसभापति महोदय, धन्यवाद। मैं 'भारतीय स्टेट बैंक (संशोधन) विधेयक, 2007' पर बोलने के लिए खड़ा हुआ हूं।

महोदय, सरकार ने 21 जून को अध्यादेश लागू करके, भारतीय स्टेट बैंक (संशोधन) विधेयक लागू किया। इस अध्यादेश के आधार पर एसबीआई में रिज़र्व बैंक

1.00 P.M.

की हिस्सेदारी, जो कि 59.7% थी, रुपयों में शायद 35,531 करोड़ थी, सरकार ने उसे ले करके रिज़र्व बैंक की इस साझेदारी को सरकार के खाते में ट्रांस्फर कर दिया।

महोदय, इस प्रकार अध्यादेश के माध्यम से जो इस कानून को लागू किया गया है, इसके संबंध में मेरा कहना केवल यही है कि शायद इसकी अनुशंसा स्टैंडिंग कमेटी में अभी भी पैंडिंग पड़ी हुई है और मेरा अनुमान है कि दो-तीन दिन में ही यह स्टैंडिंग कमेटी इसके बारे में अपनी रिपोर्ट देने वाली है। सरकार को इतनी जल्दी क्या थी, जिसके लिए उन्होंने अध्यादेश ला करके इस काम को किया? क्या सरकार इसके द्वारा संसदीय व्यवस्था की उपेक्षा नहीं कर रही है? बिना संसद की अनुमति लिए, अध्यादेश के माध्यम से Consolidated Fund से 40,000 करोड़ रुपया निकाला गया, निश्चित रूप से मुझे लगता है कि इस प्रकार की व्यवस्था संसदीय व्यवस्था के विपरीत है। अच्छा होता अगर सरकार संसद में ला करके इसे पास करवाती ओर उसके बाद लागू करती।

महोदय, मैं इसका विरोध नहीं कर रहा हूं। यह जो विधेयक लाया जा रहा है, इसका उद्देश्य निश्चित रूप से सही है, क्योंकि रिज़र्व बैंक एक Regulatory Authority है, और किसी बैंक का मालिकाना हक़ खुद रेगुलेटर अपने पास रखे, यह सही बात नहीं होती है। मैं सरकार के इस निर्णय से भी सहमत हूं कि इसके बारे में सरकार ने रिज़र्व बैंक के जो शेयर्स हैं, उन्हें अपने खाते में ट्रांसफर किया और इसका मालिकाना हक़ सरकार ने खुद ले लिया है।

महोदय, सरकार जैसा कह रही है, यह निर्णय नरसिम्हन कमेटी की जो दो नम्बर की रिपोर्ट थी, उसको आधार बना कर आया है। इस कमेटी की अनुशंसाओं को आधार बना कर ही उन्होंने इसे लागू किया है। मैं यह जानना चाहता हूँ कि नरसिम्हन समिति की और क्या-क्या अनुशंसाएँ थीं, जिनको सरकार ने लागू किया है या जिन्हें आगे के दिनों में लागू करने वाली है।

महोदय, मैं यह भी जानना चाहता हूँ कि सरकार रिजर्व बैंक ऑफ इंडिया से जो शेयर खरीद रही है, उनका वर्तमान मूल्य क्या है। आज इन शेयरों के भाव कितने हैं? ...**(व्यवधान)**...

श्री उपसभापतिः आप लंच के बाद continue कीजिएगा। The House is adjourned for lunch to meet at 2.00 P.M.

The House then adjourned at one of the clock.

The House reassembled after lunch
at two of the clock,
THE VICE-CHAIRMAN (SHRI SANTOSH BAGRODIA) in the Chair.

THE VICE-CHAIRMAN (SHRI SANTOSH BAGRODIA): Shri Surendra Lath will continue his speech.

श्री सुरेन्द्र लाठः उपसभाध्यक्ष महोदय, स्टेट बैंक ऑफ इंडिया (अमेंडमेंट) बिल, 2007 पर मैं चर्चा कर रहा था। इस चर्चा के आरंभ में मैंने कुछ बाते कही थीं, उसी को आगे बढ़ाते हुए मैं यह कहना चाहता हूँ कि केन्द्र सरकार ने रिजर्व बैंक के जिन शेयर्स को अपने नाम से ट्रांसफर किया है, वे 59.7 परसेंट शेयर्स हैं और अब केन्द्र

सरकार चाहती है कि वह 51 परसेंट शेयर्स अपने पास रखकर बाकी के शेयर्स बाजार में बेच दिए जाएं। मैं जानना चाहता हूँ कि ऐसा करने से सरकार को इससे कितनी धनराशि का लाभ होगा?

महोदय, हम जानते हैं कि स्टेट बैंक ऑफ इंडिया अपना आधार बढ़ाने की कोशिश कर रहा है, विशेषकर अंतर्राष्ट्रीय बाजार में स्टेट बैंक एक्सपेक्टेंट मैनेजमेंट फंड, म्युचुअल फंड में पूंजी निवेश कर रहा है और इंशोरेन्स सेक्टर में भी पूंजी निवेश कर रहा है। इसके अलावा विदेशों के कई बैंकों के साथ भागीदारी में काम करने की बात कही जा रही है। मैं सरकार से जानना चाहूंगा कि जिन विदेशी कंपनियों के साथ सरकार भागीदारी करने जा रही है या कर रही है, उनकी विश्वसनीयता कितनी है, उनकी क्रडिबिलिटी कितनी है? यह बात भी जानना आवश्यक है और मुझे उम्मीद है कि इसके बारे में निश्चित रूप से सरकार सदन को बताएगी।

महोदय, अंतर्राष्ट्रीय स्तर पर अभी तो बैंकिंग कारोबार बढ़ रहा है, लेकिन क्योंकि डब्लूटीओ की जो शर्तें हैं, उसके अनुसार वर्ष 2009 तक विदेशी बैंकों के ऊपर जो भी अंकुश लगाए गए हैं, वे उठ जाएंगे और उसके बाद निश्चित रूप से विदेशी बैंकों के साथ हमें प्रतिस्पर्धा करनी पड़ेगी। हम इस बात को जानते हैं कि आज इनका आकार काफी बढ़ा है, मैं केवल एक उदाहरण आपको देना चाहूंगा एचएसबीसी बैंक का, कि उसकी संपत्ति कितनी है? हमारे देश के जितने बैंक हैं उनकी सारी संपत्ति को अगर मिला दिया जाए, तो भी उससे अधिक संपत्ति इस एचएसबीसी बैंक की है। केवल इतना ही नहीं, हमारे देश के सारे बैंकों की संपत्ति अगर मिला दी जाए, तो उससे तीन गुना अधिक संपत्ति एचएसबीसी बैंक की आज है। अगर हम अपने स्टेट बैंक, जो देश का सबसे बड़ा बैंक है, उसकी तुलना विश्व के सारे बैंकों से करेंगे, तो हमारा स्टेट बैंक आज 84वें स्थान पर आता है। मैं यह कहना चाहता हूं कि आने वाले दिनों में, जब हमें विश्व स्तर पर प्रतिस्पर्धा का सामना करना पड़ेगा तो हमारे लिए यह एक बड़ी चुनौती होगी, इसलिए हमें बैंक के कारोबार को, कार्यप्रणाली को सुधारना होगा, इनमें कार्यकुशलता लानी होगी और हमारे यहां जो बहुत सारे छोटे-छोटे बैंक हैं, आने वाले दिनों में ये प्रतिस्पर्धा में टिकने वाले नहीं हैं, इसलिए यह जरूरी है कि इन सब बैंकों को भी बड़े बैंकों के साथ मिला दिया जाए जिससे कि हम विश्व में बड़े बैंकों के साथ प्रतिस्पर्धा में ठहर सकें।

महोदय, अब मैं स्टेट बैंक के कुछ कार्यों पर आपका ध्यान आकर्षित करना चाहता हूं। स्टेट बैंक ऑफ इंडिया का 2005-06 में प्रति कर्मचारी कारोबार जहां 3 करोड़ रुपए था, वहीं ICICI Bank के प्रति कर्मचारी का कारोबार 9 करोड़ से अधिक था। ICICI Bank ने 2005-06 में कुल खर्च का करीब 7.69% वेतन-भत्ते पर खर्च किया, जबकि स्टेट बैंक ऑफ इंडिया का यह आंकड़ा 25.98% था। स्टेट बैंक ऑफ इंडिया भारत का सबसे बड़ा सार्वजनिक क्षेत्र का बैंक है, किन्तु गंभीर विषय यह है कि इसके मुनाफे में लगातार गिरावट आ रही है। इसके अलावा इसके डिपॉज़िट के स्तर में भी अपेक्षित सफलता नहीं मिल रही है, इजाफा नहीं हो रहा है। अगर हम 1999-2000 से लेकर 2006-07 के मुनाफे पर गौर करें तो हम देखेंगे कि बैंक के मुनाफे में निरंतर गिरावट आई है। 1999-2000 में बैंक ने 99.6% रिकार्ड लाभ किया था, लेकिन इसके बाद 2000-01 में लाभ करीब 21.8% पर पहुंच गया। 2001-02 में यह लाभ 51.6% था, 2002-03 में 27.9% था, 2003-04 में 18.5%, 2004-05 में मात्र 16.54%, 2005-06 में यह आंकड़ा 2.3% पर पहुंच गया और 2006-07 में 3.4% का मुनाफा हुआ है। यह काफी चिंताजनक स्थिति है। महोदय, अगर हम फिकस्ड डिपॉज़िट की बात करें तो पिछले वित्त वर्ष में डिपॉज़िट मात्र 14.7% बढ़ा, जबकि इंडियन ओवरसीज़ बैंक का 36.4%,

विजया बैंक का 35.7%, ओरिएंटल बैंक ऑफ कामर्स का 27.49% और इलाहाबाद बैंक का 23% डिपॉज़िट बढ़ा है। इस प्रकार स्टेट बैंक ऑफ इंडिया का मुनाफा और डिपॉज़िट घटना गहरी चिंता का विषय है। महोदय, यह स्थिति तब है जब 2003-2007 के वित्त वर्षों के दौरान कारोबार दोगुना बढ़ा है, 474 नई शाखाएं खुली हैं तथा कर्मचारियों की संख्या में बड़ी मात्रा में कमी आई है, उसके बाद भी बैंक का मुनाफा निरंतर कम हो रहा है और जो आंकड़े मिल रहे हैं, वे कितने सही हैं यह मैं नहीं जानता, अगर मैं गलत हूं तो वित्त मंत्री जी उसको ठीक करेंगे, उनके अनुसार कर्मचारियों की संख्या में गत दिनों में 24 हजार की कमी आई है। महोदय, यह दर्शाता है कि कहीं न कहीं हम अपने उद्देश्यों की प्राप्ति के लिए और बैंक में सुधार की जो बात कर रहे हैं, उसमें हम सही तरीके से नहीं पहुंच पा रहे हैं।

महोदय, हम कह रहे हैं कि ग्रामीण क्षेत्रों में बैंक जो कारोबार या व्यवसाय कर रहा है, उसमें नुकसान हो रहा है। मैं आपका ध्यान आकर्षित करना चाहता हूं कि ICICI Bank ने पिछले चार सालों में अपने ग्रामीण क्षेत्रों के कारोबार को 6 हजार करोड़ से बढ़ाकर 16 हजार करोड़ तक पहुंचाया है और वह भी उसने लाभ कमाते हुए पहुंचाया।

इसलिए कहीं न कहीं यह बेमानी लगता है कि ग्रामीण क्षेत्रों में कारोबार करना घाटे का सौदा है। कई घरेलू निजी बैंक ग्रामीण क्षेत्रों में अपना कारोबार बढ़ाकर मुनाफा कमा रह हैं। हम सब जानते हैं कि जब बैंकों का राष्ट्रीयकरण किया गया था, तो इसको मुख्य उद्देश्य बैंकों को साधारण लोगों तक पहुंचाने का था और स्टेट बैंक, देश का सर्वप्रथम राष्ट्रीयकृत बैंक है तथा सबसे बड़ा बैंक होने के नाते इसकी सामाजिक जिम्मेदारी भी सबसे अधिक है।

[श्री उपसभापति पीठासीन हुए]

उपसभापति जी, हम सभी जानते हैं कि रिज़र्व बैंक ने जो दिशा-निर्देश दिए हैं, उनके अनुसार बैंकों द्वारा अपने कुछ ऋण का 40 प्रतिशत priority sector में यानी प्राथमिक क्षेत्र को दिया जाना है, किंतु क्या यह दिया जा रहा है? प्राथमिक क्षेत्र के दायरे को लगातार बढ़ाया जा रहा है, अभी निर्यातकों को भी priority sector में जोड़ा गया है। आज तो ट्रक और जीप पर भी ऋण दिया जा रहा है, उन्हें भी priority sector में जोड़ा जा रहा है। अभी हम small and medium industries की बात कर रहे हैं, इनके दायरे को भी काफी बढ़ा दिया गया है। आज small scale industries के क्षेत्र में अगर हम देखें तो 5 करोड़ तक के पूंजी निवेश को छोटे उद्योगों की श्रेणी में लिया जा रहा है और जो छोटे और मंझले उद्योगों का क्षेत्र है, इसमें जो ग्रामीण उद्योग हैं, कुटीर उद्योग हैं, हथकरघे हैं, उनको इसका लाभ नहीं मिल पा रहा है और यह सारा लाभ जो बैंकों के द्वारा priority sector को दिया जा रहा है, वह लाभ कुछेक इंडस्ट्रीज़, जो बड़ी इंडस्ट्रीज़ हैं, उनको ही मिल रहा है। बैंकों द्वारा आज यह 40 प्रतिशत लाभ केवल कागज़ और कलम में दिखाया जाता है, किन्तु अगर हम देखेंगे, तो जिन लोगों को इसका लाभ मिलना चाहिए, उनको इसका लाभ नहीं मिल पा रहा है। मेरी गुजारिश है कि इस बारे में टारगेट ग्रुप को चिह्नित करके, उसे कैसे बैंकिंग सेवा उपलब्ध हो, इस बारे में विचार करना चाहिए।

उपसभापति महोदय, इन दिनों महंगाई को रोकने के लिए सरकार ने कई कदम उठाए हैं और उनके अंतर्गत ब्याज की दरों में वृद्धि की गई है, विशेषकर हाउसिंग सैक्टर में ऋण पर जिस प्रकार ब्याज की दरों में वृद्धि की गई है, उसके परिणामस्वरूप साधारण लोगों के लिए अपना खुद का घर बनाना, एक सपने जैसी बात हो गई है। पहले हाउसिंग सैक्टर में लोगों को 9 प्रतिशत ब्याज की दर पर ऋण उपलब्ध होता

था, आज वह 11-12 परसेंट तक पहुंच गया है और आज लोग घर लेने से वंचित हो गए हैं। यह एक गंभीर विषय है। हाउसिंग सैक्टर में किस प्रकार और कम ब्याज पर ऋण दिया जा सके, इस बारे में सरकार को विचार करना चाहिए। मैं और अधिक कहना नहीं चाहता हूं, लेकिन आने वाले दिनों में भारतीय बैंकों को, विशेषकर स्टेट बैंक को अपनी दक्षता और कार्यकुशलता बढ़ानी होगी, इसके साथ-साथ उसे अपने आकार में गुणात्मक वृद्धि करने की आवश्यकता है तथा विश्व स्तर पर अंतर्राष्ट्रीय बैंकों के साथ प्रतिस्पर्द्धा में खड़े होने की आवश्यकता है। इसके साथ-साथ स्टेट बैंक ऑफ इंडिया अपने विस्तार के साथ, अपने सामाजिक दायित्वों का भी निर्वहन करे, देश की प्रगति में महत्वपूर्ण योगदान दे। विश्व स्तर पर अपनी भूमिका को बढ़ाने से पहले, देश में ही अगर अपनी कार्यप्रणाली, अपनी नीतियों को वह सुधारे, तो स्टेट बैंक ऑफ इंडिया, देश के साथ-साथ विश्व स्तर पर भी अपनी स्थिति में सुधार कर पाएगा, इससे देश को भी फायदा होगा और बैंक को भी फायदा होगा। मैं फिर से आपको धन्यवाद देते हुए, इस बिल का समर्थन कर रहा हूं। मैं माननीय मंत्री जी से एवं सरकार से अनुरोध करता हूं कि जो समाज के पिछड़े हुए लोग हैं, उन तक बैंकिंग सेवा पहुंचे। एक बात मैं micro finance के बारे में कहना चाहता हूं। महोदय, एक बात मैं micro finance के बारे में कहना चाहता हूं। अभी हम micro finance की बहुत बात कर रहे हैं। किंतु बैंकों द्वारा छोटे-छोटे जो लोग हैं, जिनकी छोटी-छोटी आवश्यकताएं हैं, इन तक बैंक का ऋण नहीं पहुंच पा रहा है। सरकार की नीति ऐसी है कि ये micro finance विभिन्न NGOs के माध्यम से लोगों तक पहुंचाया जा रहा है, जो 24 से 30 प्रतिशत तक का ब्याज लोगों से वसूल कर रहे हैं। महोदय, लोगों तक कैसे हम कम ब्याज पर ऋण पहुंचा सकें, सरकार को इस बारे में गंभीरता से विचार करना होगा और तभी इस देश का विकास हो सकता है। लोगों का कल्याण हो सकता है। इसी के साथ मैं अपनी बात समाप्त करता हूं। धन्यवाद।

DR. E.M. SUDARSANA NATCHIAPPAN (Tamil Nadu): Sir, I support this Bill. And, at the same time, I would like to take the opportunity to discuss about the banking system which is now developing in India. Sir, the Reserve Bank of India was a private bank as early as in 1935. But it was nationalised in 1949, and made as the Bank of the Government of India. The Imperial Bank, which started in the 19th Century, that is, 200 years before, was nationalised in 1955 as State Bank of India. Now, the Government has come forward with taking the shares of the Reserve Bank of India in the SBI so that a more people-oriented banking system can be developed.

Sir, in 1969, the nationalisation of the 14 banks started by late Shrimati Indira Gandhi has revolutionised the banking system in India. The selective banking became banking for the masses. Ordinary persons could go, enter a bank and sit along with the Branch Manager, whether it was air-conditioned or non-airconditioned, and discuss about his problem and get banking facilities from the banks. That was the achievement made by Shrimati Indira Gandhi's effort.

But, Sir, certain areas of the banking system has certain chronic system failures. Sir, I got a newspaper, *Business Line*, dated August 12, 2007 which showed the picture of a person who is pulling the plough. His son is helping him as one bull, and his daughter-in-law is helping as another bull. This is the system that is followed even now in Kadlabad village in Bidar district of Karnataka. This picture

was published in July 14, 2006 also. Afterwards, the family could get Government help from various sources. But the banking system could help them by giving them loan to the tune of Rs. 20,000. But the story of this particular newspaper says that with Rs. 20,000 it is not possible to purchase even a single bullock, and they needed two bullocks. But the system at the State level and also the system, which is followed at the district level, got certain unit costs imposed upon these agriculturists. Sir, the problem is a graver one. They are catering to the needs of the ordinary agriculturist, who has lost his old bullocks, who is in the debt trap, and they want to come out of it. But, the system which we have created for the masses is not responding to it. This is only a specimen case and I would like to show how the banking system at the lower level is to be guided at the highest level policy making.

Sir, nationalised banking is now giving more facilities. In 1969 only 64,000 people were getting one branch facility. But it is now very much reduced to 16,000 per branch according to the 2007 calculations. Sir, you know very well that in 1972 lead bank facilities were created for developing the backward areas by giving financial assistance for agriculture, small trade and also for commercial activities. And, it has helped the common man a lot. It has gone up to the level of what is commonly called Poojary's loan, where the differential rate of interest scheme was also applicable. Karnataka has become a famous place for having Shri Janardhana Poojary as the Minister of State. Now, we are having a very excellent Minister, Shri Pawan Kumar Bansal, as the Minister of State. He is very dynamic, After taking over the banking branch, he has done great things in many fields. We are proud of having matured politician like him, who has had a long stay in the Lok Sabha and Rajya Sabha. He knows the Members very well, even though he lives in Chandigarh which is a....

MR. DEPUTY CHAIRMAN: Do you want to make Chandigarh famous? *...(Interruptions)...*

DR. E.M. SUDARSANA NATCHIAPPAN: Sir, it is also a city, but surrounded by rural areas also in and around his constituency. Therefore, normal man's needs are being addressed after this has been taken over by Shri Pawan Kumar Bansal. I would like to suggest to him that he need not imitate Shri Janardhana Poojary, but we need somebody like Janardhana Poojary now. We have to go to the common man and get him the facility of the differential rate of interest scheme. Sir, I belong to a constituency wherefrom hails our Minister of Finance, that is, the Cabinet Minister. He had also started a scheme, namely, Indira Gandhi Niwas Yojana. It is a scheme fully aided by the Central Government. Under the Scheme, grant of Rs. 35,000/- to Rs. 50,000, was given earlier. But now, he has launched a new system by way of giving Rs. 35,000/- as outright grant and Rs. 15,000/- as bank loan. Sir, I can't accept this scheme because ordinary *dalit* community people, Scheduled Castes and Scheduled Tribes, cannot bear the burden of Rs. 15,000/-. If he gets Rs. 15,000/- as loan for constructing a small house, then, afterwards, he cannot be creditworthy for any other loan. None of the branches will give ordinary consumer loan or any other loan for agricultural purposes or for any other purpose. Therefore, I request that the Government should rethink about it. Under Indira Gandhi Niwas Yojana, only outright grant should be given; it should not be a loan *mela*. It should not be a system where an ordinary person is burdened with

a loan. Now, we are burdening even the students. I am afraid, Sir, after five years there may be instances of suicidal deaths of students just as our agriculturists are going for suicides. I am saying this because we are burdening them with loans. We are also in favour of giving loans to the students, but it is not known how much they are going to earn after finishing these professional courses for 4-5 years! The bankers, in the meantime, ask them to pay at least the interest amount and also a small portion of the principal amount. They have to bear the burden of loan alongwith the burden of studies and the burden of whether he is going to get a job or not. This is the condition of young Indians today. No doubt, it is a good and novel idea to give financial assistance when they have to pay even for educating themselves. We remember Karamveerar Kamarajar for this particular purpose, who made education free at the school level. He also gave free noon-meal scheme, free clothes, books and everything. That is why we had had a very big President Dr. A.P.J. Abdul Kalam who studied in Government School at Rameswaram, a small backward district. Therefore, that was the thing which had happened. But we are now thinking in terms of commercialisation in everything. People have to professionalise themselves by way of getting proper education; that is why, we are implementing this scheme, but the scheme should not prove to be a burden for the students. When they get proper jobs, then, from their salaries it should be deducted, and not at the stage when they are pursuing their studies. Immediately, banks should not send a notice asking for payment of interest and also the principal amount. Their families will be completely burdened. Sir, in the meantime, I would like to quote our Arjun Sengupta's latest article and also his report which clearly shows that 836 million poor vulnerable *aam aadmis*, that is, about 83 crores, are living in India, and 210 million middle-class people are coming out of poverty and they are struggling to come up in their life. Sir, around 44 million people belong to the higher income group. These 44 million people who belong to the higher income group, who are millionaires, are using this banking system for all purposes. During my last term of the Lok Sabha, I raised this question in the Standing Committee on Finance. Sir, when we look at the NPAs, we find that these NPAs are basically from the people who have borrowed Rs. one crore and above. They are the topmost borrowers and they are the creators of these Non-Performing Assets. Now, after the implementation of the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, their properties may be seized. At the same time, the bankers are also happy because now they can carry over this debt to the other side and make their bank a profit-making bank. But really it is not the case. I would like to know whether we have made any effort to seize the properties of the people of this higher income group by enforcing this Act properly and whether these people who are really creating these NPAs are paying back the money. I think that can be answered only by the banking system. Sir, at the same time, we are pressurising the ordinary people who have borrowed only an amount of Rs. 10,000 and after adding all the interest and the compound interest, this loan amount has become Rs. 1 lakh. There is no wiping out. There is no one-time settlement for these people. One time settlement is only for those borrowers who have borrowed more than Rs. one crore. But the ordinary people are not getting the benefit of one-time settlement and they are forced to bear the curse of being called a 'debtor' throughout their life. Therefore, Sir, I feel that it is high time the Government thought about these matters. Sir, I feel the credit system regarding the retail credit is also to be taken

into consideration. Sir, when we see the statistics, we find that India has been able to cover only about ten per cent in the retail credit system. But China with so much of population could cover more than fourteen per cent. The USA and the European countries, the developed countries, are focussing on a target of fifty per cent in the retail banking. Therefore, the retail banking is the best banking system wherein the rate of interest should be reduced and, at the same time, the ordinary persons who are ready to come forward for trading or for any other commercial enterprises, should be benefited by this.

Sir, regarding the spreading of the credit system, let us compare the system from 1972. In 1972, only about Rs. 500 crores credit was spread over to the 14 lakh account holders. In 1995, it had gone up to Rs. 25,000 crores, covering 240 lakh accounts. Now, Sir, we are very proud to have Rs. 1,72,684 crores credit, catering about 290 lakh account holders. Sir, I suggest the hon. Minister that the banks should lay more emphasis on micro credit. They are proudly saying that they are catering the self-help group to the level of 26 lakhs. But they are using it only as a consumer loan. They are not earning through that credit system. They are curtailing their own expenditure for paying the interest. But, at the same time, we have to promote them by more skill development of this group, self-help group, so that the ladies can earn some income. Out of that, they should pay back the interest and also the principal.

Sir, finally, I would like to conclude by saying that barely two years back, the housing loan in India was very famous. People were praising our Government for making the housing loan available at a minimum interest rate of just nine per cent. But now what happens? The price of cement bags nowadays is skyrocketing, but no effort is made by the Finance Ministry or the Commerce Ministry to control the rising prices of cement. The ordinary middle class people had started thinking of buying their own house. There was a feeling that when the bird and animals could have a shelter, why can't we, the middle class people, have a shelter? So, they also started buying the house by paying the Equal Monthly Instalments. But by raising the interest rate from 9 per cent to 14-18 per cent, what has happened? With their fixed monthly income, how are they going to pay the EMIs? So, now the ordinary middle class people have started cursing us. They are saying that on the one hand, the Government propagated them to go in for housing loan, and on the other hand, they raised the interest rate. The ordinary people were happy that they are holding the house. But you are now saying 'since the real estate people have borrowed huge money from the banks, therefore, we are curtailing it'. Why? You must curtail the real estate people and not the middle class people. Middle income people must also get the benefit of low interest rates.

Sir, even the first report of the Narasimhan Committee of 1991 and later in 1998 also, they had recommended flexible interest rates. That flexibility should be extended to the ordinary middle income group people; they should be benefited by that. This is the time when people can afford to have houses of their own. The real estate sector has grown; but, at the same time, the middle class people should have, at least, one flat of their own in their whole life.

Sir, I conclude my speech by requesting the hon. Minister to come out with more programmes for ordinary people so that the services available in the banking sector reach the ordinary people and the *aam aadmi* is benefited. This could easily

be achieved in this electronic age where things could be done within a short period.

MESSAGE FROM LOK SABHA

The Appropriation (No. 3) Bill, 2007

SECRETARY-GENERAL: Sir, I have to report to the House the following message received from the Lok Sabha signed by the Secretary-General of the Lok Sabha:—

> "In accordance with the provisions of Rule 96 of the Rules of Procedure and Conduct of Business in Lok Sabha, I am directed to enclose the Appropriation (No.3) Bill, 2007, as passed by Lok Sabha at its sitting held on the 22nd August, 2007.
>
> The Speaker has certified that this Bill is a Money Bill within the meaning of Article 110 of the Constitution.
>
> Sir, I lay a copy of the Bill on the Table.

GOVERNMENT BILL

The State Bank of India (Amendment) Bill, 2007 (Contd.)

SHRI TAPAN KUMAR SEN (West Bengal): Sir, while participating in the deliberations on this Bill, I would like to seek certain clarifications. I would also like to convey some of the concerns about the functioning.

At the outset, I would like to understand as to what was the urgency of getting the whole process done through the Ordinance route and making it virtually a *fate accompli* as if the contents of the Bill were so important that it needed to be hurried through an Ordinance. I have also gone through the deliberations on the Bill that have already taken place in the other House. I would not like to make a reference to that but still, the argument that by 30th June the whole thing has to be completed, is not clear. It is not acceptable and it does not seem logical so far as this issue is concerned. BASEL norms have also been referred to while justifying this move. I don't think the BASEL authorities had issued any circular stating that by this date you have to certify otherwise you would lose. And I don't think the Government of India had that sort of an obligation or requirement to meet while bringing up this Bill. Another Bill on the State Bank is pending. That Bill is much bigger, covering many more issues relating to the State Bank and the financial sector of the economy. That Bill is under consideration of the Standing Committee.

Earlier, while placing the State Bank of India (Subsidiary Banks) Act, Government had stated that they would be bringing up a comprehensive Bill on that. That Bill was debated upon and passed with the assurance that another comprehensive Bill was on its way. Even in that Bill this issue did not find a place, but it was made a separate item and placed in a truncated manner in the House for its passage and that too, making it again a kind of *fate accompli*, through an